



**United States
Department of
Agriculture**

Farm and Foreign
Agricultural Services

Farm Service
Agency

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DATE : June 17, 2003
TO : Upland Cotton Domestic User/Exporter Agreement Holders
SUBJECT : Revised Agreement to the Upland Cotton User Marketing Certificate Program

The Farm Security and Rural Investment Act of 2002 included changes to the Upland Cotton User Marketing Certificate Program. These changes are included in the revised Upland Cotton Domestic User/Exporter Agreement (Agreement) located on our web site, www.fsa.usda.gov/daco/cotton.htm. Beginning August 1, 2003, the Commodity Credit Corporation (CCC) will use this Agreement in administering the Upland Cotton User Marketing Certificate Program.

The October 22, 1999 Agreement, will expire on July 31, 2003. In order to execute the revised Agreement, complete, sign and return it to CCC in duplicate (original and one copy). Participants should carefully read the Agreement before signing.

Effective Date:

Agreements received by CCC by July 31, 2003, will be effective August 1, 2003. All Agreements received thereafter will be effective on the date of acceptance by CCC.

Major Changes:

The Upland Cotton User Marketing Certificate Program is extended to July 31, 2008. The 1.25 cent price differential is suspended May 14, 2002, through July 31, 2006.

General Changes:

Minor changes to the previous Agreement have been incorporated into the new Agreement. Among these general changes are the following:

1. Section A-2 (b)(6) Addition. To the list of ineligible cotton. "any eligible cotton which has been blended with ineligible fibers, including textile mill waste, raw motes, linters, or pills".
2. Section B-5 (a) Changed. The due date for the submission of the Application/Report from (COB) Monday to (COB) Wednesday...
3. Section B-7 (d) Changed. The weekly consumption listing must cross-reference the purchase invoice number.
4. Section C-3 (b) Addition. Intermodal shipments must be clearly identified.
5. Section C-4 (b) Addition. When an exporter's weight sheet lists a greater total net weight claimed for payment than the net weight shown on the sales invoice, a letter of explanation will be required.
6. Section C-7 (f) Addition. Exporter's purchase invoices.

Program Contacts:

Contact the Financial Review Branch, Contract Reconciliation Division at (816) 926-6663 if you have any questions.

